

19 February 2021

The Manager,
Listing Department,
National Stock Exchange of India Limited
Exchange Plaza,
Bandra-Kurla Complex, Bandra (E)
Mumbai-400051

Symbol: MAGMA

BSE Limited
Corporate Relationship Department
25th floor, Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400001

Company Code: 524000

Dear Sir,

Sub: Credit Rating

Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

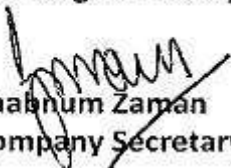
Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby intimated that the Company has received a communication from India Ratings & Research (Ind-Ra) on 19 February 2021 whereby the rating of the Company's Bank Loan (IND AA-) has been placed under Rating watch Evolving(RWE).

Furthermore, Ind-Ra has given the following rationale for the same:

Ind-Ra is of the view that pursuant to public announcement on 10 February 2021, the Company had announced that its board has accepted a binding offer for an equity infusion of INR 34.6 billion by way of preferential allotment of equity shares to Rising Sun Holdings Private Limited (RSHPL) an entity controlled by Mr.Adar Poonawalla) and its existing promoters (Mr.Sanjay Chamria and Mr.Mayank Poddar). Subsequently, as per the proposed transaction, RSHPL would hold a stake of 60% in the Company and would be classified as a promoter. With this infusion, the Company's net worth would surpass INR 63 billion, strengthening Company capital. Ind-Ra believes that proposed transaction once culminated should strengthen company's liability strength. The above transaction is subject to various regulatory approvals and Ind-Ra would continue to monitor the transaction's progress.

Kindly take the same on record.

**Thanking you,
Yours faithfully,
For Magma Fincorp Limited**



**Shabnum Zaman
Company Secretary**